



**Department of Veterans Affairs  
Financial Services Center  
1615 Woodward Street  
Austin, TX 78772**

Date: April 2, 2008

Dear Supplier:

The Department of Veterans Affairs Financial Services Center (VAFSC) is pleased to announce a progressive change in our accounts payable process. We have entered into a relationship with OB10, a global provider for electronic invoice delivery. Compliance with this new process will enhance the accuracy, timeliness, and tracking of your future invoices.

All suppliers can easily participate without changing existing invoicing formats. OB10 will pick up any invoice format or layout, and utilize the electronic communication method of your choice. The OB10 method allows the transmission of invoices from your existing billing systems.

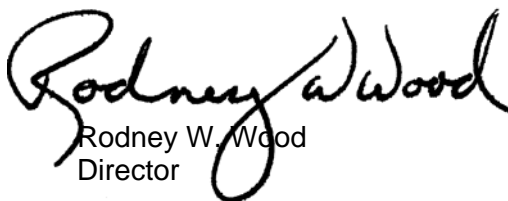
If you are not currently a member of the OB10 network, subscribing is simple. There is no hardware or software to install. Once you are established on the network, you may send electronic invoices to all customers who are utilizing OB10, allowing you to respond to future electronic invoicing requests immediately. The enclosed information includes the options and costs relating to subscription, and a "Frequently Asked Questions" document. Additionally, the OB10 website at [www.OB10gov.com](http://www.OB10gov.com) includes a wealth of information regarding electronic invoicing.

All new contracts paid by VAFSC will require electronic invoice submissions. A representative from OB10 will contact you to facilitate your network subscription. OB10 will handle all of the necessary technical and commercial steps needed to establish your account. If you prefer, you may begin the enrollment process by clicking "Join Now" at [www.OB10gov.com](http://www.OB10gov.com).

The VAFSC will begin receiving electronic invoices via the OB10 network in April, 2008 and will expect to have a commitment to the program by April 30<sup>th</sup>, 2008. OB10 will keep the VAFSC informed as to the progress of your subscription.

Thank you in advance for supporting this critical initiative. We look forward to receiving your invoices via OB10, and providing you with the highest quality level of payment processing services available today. Please contact OB10 at [USClientServices@OB10.com](mailto:USClientServices@OB10.com) or toll free at (877) 752-0900. If you use the toll free number, please select option 2 from the voice menu. Questions for the VAFSC may be directed to [vafscshd@mail.va.gov](mailto:vafscshd@mail.va.gov) or at (877) 353-9791.

Sincerely,

  
Rodney W. Wood  
Director

Attachments:

What Happens Next

FAQs for Submitting Invoices via OB10

OB10 Brochure

### **What happens next?**

In a few days, an OB10 representative will contact you to explain the details of the program. When they call, it will be necessary for OB10 to speak with someone at your company who is in a position to sign the required service agreement. OB10 will also need a technical contact with your company to set up the profile and to establish the data file of your choice.

Once OB10 has set up your profile, they will discuss the options concerning connectivity to their network. If you have no current connectivity standard, OB10 will supply you with a simple, secure method to upload your invoice data to their network.

Any other questions you have may be addressed with the OB10 representative.

If you prefer, you may contact OB10 directly at 1-877-752-0900 then select **option 2** to begin the transition process.

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### **About costs**

The OB10 network was chosen by the VA as it offers the best value and flexibility to suppliers. There is a cost for suppliers to use the network. Pricing for the network is set by OB10 and all fees are billed by and paid directly to them by the supplier. For OB10 pricing, details please see additional documentation included in this communication.

## **FAQs for submitting invoices via OB10**

### **What is electronic invoicing?**

Electronic invoicing (e-Invoicing) is a communication methodology that utilizes the Internet to allow the Department of Veterans Affairs Financial Services Center (VAFSC) located in Austin, Texas to receive invoice information directly from vendors without the need to print and mail paper invoice copies. The OB10 service was chosen because it offers the best value and flexibility to suppliers with the least disruption to normal business.

### **Why move to e-Invoicing?**

E-Invoicing solutions reduce the cost of manually handling the large volume of paper invoices received daily without the associated costs and complexities of traditional paper methods. This new process will allow for better tracking of invoices, reduce unnecessary errors and result in a more efficient process for the VA and our suppliers.

### **Is this a requirement?**

This is an important initiative for VA and we are expecting all of our valued suppliers to support us. We hope that you will work with us in this initiative, and strongly encourage you to take this opportunity to introduce an improved invoice processing system. The new process has full management support within VA. Suppliers not transitioning by the target date will be contacted directly to reiterate the importance of the request.

### **My account is paid on time today. Will I need to use this service?**

You will continue to receive your payment on time as per the terms of the Prompt Payment Act. The e-Invoicing program can further expedite your payment by eliminating the time in transit required with paper invoices and by providing you with a confirmation of receipt. While e-Invoicing isn't a requirement for existing agreements, it will become mandatory on new contracts or billing agreements.

### **How do I submit my invoices electronically?**

VAFSC has contracted with OB10, a third-party service provider, to facilitate the move to e-Invoicing. OB10 runs the global OB10 network - a system that enables organizations to electronically deliver invoices from their accounting systems in the format of their choice without the need to install any proprietary hardware or software. The OB10 network seamlessly connects multiple billing and accounting platforms enabling the automation of key back office invoice processing functions for both buyers and suppliers.

**What happens if I still send paper invoices?**

We will accept paper invoices on all current contracts. All new contracts will require suppliers to register with OB10. Upon activation with OB10, you should immediately discontinue sending paper invoices as VAFSC will no longer accept them. Any paper invoices received after activation will be returned unpaid.

**Summary of Important Dates:**

Date	Event	What it means
April 7, 2008	Go Live Date	The date the VA will begin receiving electronic invoices through OB10
April 30, 2008	Deadline for commitment	The VA will expect OB10 to report your commitment to the initiative
December 2012	Deadline	No paper invoices will be accepted by the VA following this date. All invoices must be submitted electronically via OB10.

**Are there fees associated with the e-Invoicing service?**

Yes, there is an annual membership fee and then a per transaction cost. The transaction cost is for each invoice or credit memo processed, regardless of the number of lines or the value of the invoice. An OB10 representative will discuss the fee structure with you in detail on the initial follow-up call.

**Why doesn't the VA pay the fees?**

We also pay fees, as OB10 is an open network, not a private exchange. Our initiative is to obtain electronic invoice data and the OB10 service proves to be effective and economical for VA and its suppliers.

**What does the membership fee cover?**

It covers the cost incurred by OB10 for setting up your unique profile on the OB10 network and the general costs of maintaining the network. The membership fee is an annual fee. The year one fee is the same regardless of the number of customers who you submit electronic invoices at the time you sign the service agreement with OB10.

**I already send some invoices to customers via EDI, can I use this?**

EDI is just another data format that OB10 can support . If you are an established EDI vendor, you may still be contacted by OB10 and can opt out at that time.

**I can make invoices available to my customer to view via the Internet. Can I use this?**

The OB10 network ensures that the VA receives the data you send in a format that will automatically upload into our accounting software. Providing an image of the invoice or an option to download the data in a fixed

format does not satisfy our business requirement. However, you can make attachments a part of your invoice submission at no additional charge.

**Do I need to install any software?**

No, the OB10 service is non intrusive. Suppliers can use a standard Internet browser to upload electronic files created by your existing accounting system.

**What if I don't have a system capable of creating electronic invoices?**

If you print invoices generated by any invoicing system, you can send invoice data files to OB10. If you create invoices manually (Word, Excel etc.) you may access the OB10 secure web site and create invoices online using the web based **Web Form**. All you need is an Internet connection and standard browser.

**Can I send electronic invoices using OB10 to all of my customers?**

Yes, once you are subscribed to the OB10 network, OB10 will enable you to send electronic invoices to any other customers that are in the OB10 network.

**Will the VA make payments using OB10?**

No, the VA will continue to use our current payment method independent of OB10.

**Why should I use OB10 to send my invoices?**

OB10 will be our preferred method of receiving invoices in the future. It reduces costs associated with printing and mailing paper invoices. In addition, it improves our accounts payable process and your cash flow as a result.

**I am planning to change my invoicing software soon, should I wait before subscribing?**

The OB10 network accepts any incoming data format. You can join the network and send your invoices now and simply advise OB10 of the changes when you are ready to use your new software. They will make the necessary changes without interruption of invoice delivery.

**For further information on OB10 and the OB10 service:**

See [www.OB10.com](http://www.OB10.com), email [USClientServices@OB10.com](mailto:USClientServices@OB10.com) or call 1-877-752-0900 then select option 2.

## Options for Sending Invoices Electronically via the OB10 Network

There are two (2) primary methods for sending invoice and credit transactions via OB10. A supplier can either send a data file directly to OB10 through the 'Integrated Solution' or create invoices on-line using the 'Web Form'.

Note: Charges are made directly from OB10.

### Option 1: Sending an extracted data file (Integrated Solution)

OB10 allows you to send invoice and associated credit data directly from your billing system. The data extracted from your system can be in any format, including the format it currently uses. OB10 will create your account on the network, which allows OB10 to accept your invoice data and translate it directly to the format required by all your customers on the network. Data files can be sent to the network via the OB10 secure web site by any method including EDI, SFTP, or a transmission method of your choice.

#### Benefits

- No hardware or software to install
- Enables the data to be taken directly from your billing system in a data format of your choice
- You are able to trade with any of your customers using the network now or in the future without additional technical work and regardless of their required data formats
- Using OB10 removes the paper invoice along with associated mailing and labor costs

#### Cost

- Annual Membership Fee of \$850\*
- Supplier will only pay an additional one-time fee of \$105 if already transacting with another OB10 customer / buyer.

Per Invoice Transaction Costs	
Monthly Invoice Volume	Cost per Invoice
1 - 20 invoices per month	\$0.67
21 - 100 invoices per month	\$0.55
101 - 500 invoices per month	\$0.40
501 - 2000 invoices per month	\$0.30
2001+ invoices per month	\$0.22

Note: Transactions are charged on a monthly incremental basis.

- OB10 can bill you in USD, GBP, or Euro. Please contact OB10 for more information.
- For suppliers who invoice from multiple entities additional fees may apply. There are no limits on the number of entities a supplier can send invoices.

### Option 2: Creating invoices on-line using the 'Web Form'

The OB10 Web Form allows you to create invoices on-line and is usually chosen by those suppliers who do not have a billing system and currently generate invoices manually (e.g. as a word document). The Web Form retains standing data such as your address so only billing data needs to be entered on each invoice. Once an invoice has been created you have the option to save a copy to your PC. All invoices are also stored in the secure OB10 archive for the legally required time limit. As a member of the network, you will have on-line access to these records. To understand more about registration and use of this service, please visit [www.OB10gov.com](http://www.OB10gov.com).

#### Benefits

- Low cost electronic invoicing

- No technical set up
- Mailing costs are eliminated and invoice delivery is both fast and guaranteed
- Perfect for companies who currently create invoices manually or have low volumes

#### *Cost*

Enrollment is easy - purchase one of the invoice blocks below:

Invoice Block	Cost
25 Invoices	\$30.00
50 Invoices	\$55.00

To begin use of the OB10 network, simply visit [www.OB10gov.com](http://www.OB10gov.com) and follow the instructions. Within 10 minutes, you will have completed your part of the set-up process. OB10 will issue you with a login and password and will advise you when set up is complete. Upon notification, you will be ready to send invoices and credits electronically.

#### **Registration:**

To initiate registration for the OB10 Network, please contact [USClientServices@OB10.com](mailto:USClientServices@OB10.com) or call 1-877-752-0900. Let the OB10 specialist know you were contacted to use OB10 and would like to choose a specific option.

If you want to use the online method and submit invoices via the OB10 'Web Form', your contact at OB10 will send you an email with a link from which you can activate your pre-created account. Check the information, amend where necessary, and, on completion, start sending invoices electronically.

If you are not sure which option is best, either contact OB10 directly or OB10 will be contacting you in the next few days to discuss your OB10 account.

If you need assistance in registering, you may contact OB10 via [www.OB10.com/support](http://www.OB10.com/support) or by calling 1-877-752-0900.